

House Bill 121 (AS PASSED HOUSE AND SENATE)

By: Representatives Cole of the 125<sup>th</sup>, O'Neal of the 146<sup>th</sup>, Roberts of the 154<sup>th</sup>, Pruett of the 144<sup>th</sup>, McCall of the 30<sup>th</sup>, and others

A BILL TO BE ENTITLED  
AN ACT

To amend Title 48 of the Official Code of Georgia Annotated, relating to revenue and taxation, so as to provide for an exemption for a limited time with respect to the collection of any rate of prepaid state taxes as defined in paragraph (5.1) of Code Section 48-8-2 to the extent it differs from the rate levied as of January 1, 2008, pursuant to Code Section 48-9-14 as it applies to sales of motor fuel and aviation gasoline as those terms are defined in Code Section 48-9-2; to provide for legislative findings; to provide for procedures, conditions, and limitations; to provide for powers, duties, and authority of the state revenue commissioner with respect to the foregoing; to ratify executive orders of the Governor suspending the collection of such taxes and providing for a termination date of the suspension of the collection of such taxes; to provide an effective date; to repeal conflicting laws; and for other purposes.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

**SECTION 1.**

Title 48 of the Official Code of Georgia Annotated, relating to revenue and taxation, is amended by adding a new Code section to read as follows:

"48-8-17.

(a) The General Assembly finds that:

(1) Motor fuels and aviation gasoline are essential commodities used by Georgians for transportation;

(2) The price of gasoline has increased dramatically since the adjournment of the 2008 General Assembly, namely rising in price by approximately 10 percent from one month ago and almost 24 percent since last year at this time;

(3) The increases in the cost of gasoline and other motor fuels have and will continue to impose significant financial burdens on all Georgians and Georgia's businesses;

(4) This inflated cost can prevent Georgians from spending on other necessary goods and business expansion; and

(5) The significant increase in motor fuel prices will result in a windfall to the state in the form of surplus state taxes on these commodities.

(b) The General Assembly of Georgia ratifies the Executive Order of the Governor dated June 2, 2008, and filed in the official records of the Office of the Governor as Executive Order 06.02.08.01 which suspended the collection of any rate of prepaid state taxes as defined in paragraph (5.1) of Code Section 48-8-2 to the extent it differs from the rate levied as of January 1, 2008, pursuant to Code Section 48-9-14 as it applies to sales of motor fuel and aviation gasoline as those terms are defined in Code Section 48-9-2.

(c) For the time period commencing on June 2, 2008, as specified in the Executive Order of the Governor dated June 2, 2008, and filed in the official records of the Office of the Governor as Executive Order 06.02.08.01, the collection of any rate of prepaid state taxes as defined in paragraph (5.1) of Code Section 48-8-2 to the extent it differs from the rate levied as of January 1, 2008, pursuant to Code Section 48-9-14 as it applies to sales of motor fuel and aviation gasoline as those terms are defined in Code Section 48-9-2 shall be governed by the provisions of this Code section notwithstanding any provisions of Code Section 48-9-14 or any other law to the contrary.

(d) The temporary prepaid state tax exemption provided for in this Code section shall not apply to local prepaid taxes as defined in paragraph (5.2) of Code Section 48-8-2.

(e) The commissioner is authorized to prescribe forms and promulgate rules and regulations deemed necessary in order to administer and effectuate this Code section."

## **SECTION 2.**

Said title is further amended by adding a new Code section to read as follows:

"48-8-17.1.

(a) The General Assembly finds that:

(1) Sonny Perdue, as Governor of Georgia, issued an Executive Order ('EO 06.02.08.01') that suspended the collection of any rate of prepaid taxes as defined in paragraph (5.1) of Code Section 48-8-2 to the extent it differed from the rate levied as of January 1, 2008, pursuant to Code Section 48-9-14 as it applied to sales of motor fuel and aviation gasoline as those terms are defined in Code Section 48-9-2 until the General Assembly acts upon the suspension;

(2) Such suspension maintained the rate of prepaid state taxes for motor fuel and gasoline at the January 1, 2008, rate instead of allowing the rate to increase;

(3) Such suspension was warranted given the sharp increase in motor fuel and gasoline prices;

(4) Motor fuel and gasoline prices have recently declined such that ending the suspension provided for in EO 06.02.08.01 on the last moment of December 31, 2008, will have

63 resulted in a rate of prepaid state taxes on motor fuel and gasoline being lower than if the  
64 suspension provided for in EO 06.02.08.01 remained in effect on January 1, 2009; and  
65 (5) Such reduced rate of taxation will continue to provide meaningful relief to the  
66 taxpayers of Georgia.

67 (b) The General Assembly of Georgia ratifies the Executive Order of the Governor dated  
68 November 26, 2008, and filed in the official records of the Office of the Governor as  
69 Executive Order 11.26.08.01 which terminated the suspension provided for in EO  
70 06.02.08.01 as of the last moment of December 31, 2008.

71 (c) The suspension provided for in EO 06.02.08.01 terminated as of the last moment of  
72 December 31, 2008."

73 **SECTION 3.**

74 This Act shall become effective upon its approval by the Governor or upon its becoming law  
75 without such approval.

76 **SECTION 4.**

77 All laws and parts of laws in conflict with this Act are repealed.